

26-18-2.3 Division responsibilities -- Emphasis -- Periodic assessment.

- (1) In accordance with the requirements of Title XIX of the Social Security Act and applicable federal regulations, the division is responsible for the effective and impartial administration of this chapter in an efficient, economical manner. The division shall:
 - (a) establish, on a statewide basis, a program to safeguard against unnecessary or inappropriate use of Medicaid services, excessive payments, and unnecessary or inappropriate hospital admissions or lengths of stay;
 - (b) deny any provider claim for services that fail to meet criteria established by the division concerning medical necessity or appropriateness; and
 - (c) place its emphasis on high quality care to recipients in the most economical and cost-effective manner possible, with regard to both publicly and privately provided services.
- (2) The division shall implement and utilize cost-containment methods, where possible, which may include:
 - (a) prepayment and postpayment review systems to determine if utilization is reasonable and necessary;
 - (b) preadmission certification of nonemergency admissions;
 - (c) mandatory outpatient, rather than inpatient, surgery in appropriate cases;
 - (d) second surgical opinions;
 - (e) procedures for encouraging the use of outpatient services;
 - (f) consistent with Sections 26-18-2.4 and 58-17b-606, a Medicaid drug program;
 - (g) coordination of benefits; and
 - (h) review and exclusion of providers who are not cost effective or who have abused the Medicaid program, in accordance with the procedures and provisions of federal law and regulation.
- (3) The director of the division shall periodically assess the cost effectiveness and health implications of the existing Medicaid program, and consider alternative approaches to the provision of covered health and medical services through the Medicaid program, in order to reduce unnecessary or unreasonable utilization.
- (4) The department shall ensure Medicaid program integrity by conducting internal audits of the Medicaid program for efficiencies, best practices, fraud, waste, abuse, and cost recovery.
- (5) The department shall, by December 31 of each year, report to the Social Services Appropriations Subcommittee regarding:
 - (a) measures taken under this section to increase:
 - (i) efficiencies within the program; and
 - (ii) cost avoidance and cost recovery efforts in the program; and
 - (b) results of program integrity efforts under Subsection (4).

Amended by Chapter 242, 2012 General Session